

## CHAPTER 172. INTERNATIONAL FIELD OFFICE PROCESS FOR TURNOVER OF FAA-CERTIFICATED FOREIGN REPAIR STATIONS TO A NATIONAL AVIATION AUTHORITY UNDER A BASA/MIP

### SECTION 1. BACKGROUND

#### 1. PROGRAM TRACKING AND REPORTING SUBSYSTEM (PTRS) ACTIVITY CODES.

A. *Maintenance*: 3045, 3240, 3650, 3679

B. *Avionics*: 5040, 5045, 5650, 5679

#### 3. OBJECTIVE.

A. This chapter must be used in conjunction with advisory circular (AC) 145-7, as revised, Issuance of Repair Station Certificates to Foreign Approved Maintenance Organizations Under the Maintenance Implementation Procedures of a Bilateral Aviation Safety Agreement. It describes the procedures for turnover of Federal Aviation Administration (FAA) certificated foreign repair stations (CFRS) located outside the territory of the United States to a National Aviation Authority (NAA) in accordance with (IAW) the Maintenance Implementation Procedures (MIP) of a Bilateral Aviation Safety Agreement (BASA). At the time of publication, this chapter applies to Germany, Ireland, and France because each of these countries has signed a BASA/MIP with the United States. The Flight Standards Service (AFS-50/300) will list the status of countries on the electronic bulletin boards at: <<http://www.faa.gov/avr/afs/300/leonrs.htm>> and/or the Aircraft Certification Service (AIR-4) website at: <[http://www.faa.gov/certification/aircraft/BAA-BASA\\_Listing.stm](http://www.faa.gov/certification/aircraft/BAA-BASA_Listing.stm)>.

**NOTE: Implementation Procedures (IP) are inclusive and cover Simulator Implementation Procedures (SIP), MIPs, and IPs Airworthiness.**

B. This chapter will describe the requirements and procedures necessary to effectively and efficiently turn over surveillance and certification procedures to a NAA that has signed a BASA/MIP with the United States.

**5. GENERAL.** Initial certification requirements under a BASA/MIP are contained in Chapter 170 and AC 145-7, as revised. Procedures for renewal/ amendment of an FAA-CFRS under a BASA/MIP are located in vol. 2, chapter 171 of FAA Order 8300.10, and AC 145-7, as revised. FAA surveillance procedures and requirements are located in vol. 3, chapter 99.

#### 7. BACKGROUND.

A. FAA-CFRSs are under the provisions of Title 14 of the Code of Federal Regulations (14 CFR) part 145. The certification of foreign repair stations is a response to the need to perform maintenance on or an alteration/ modification of aeronautical products subject to U.S. airworthiness regulations in foreign countries. (See vol. 2, chapter 170, section 1, paragraph 5 for additional general information and paragraph 5F for definitions and acronyms.)

B. The FAA has developed some unique policies that pertain specifically to foreign repair stations and are applicable under a BASA/MIP. The FAA has determined that the affected policies will be located in AC 145-7, as revised.

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## SECTION 2. PROCEDURES

### 1. PREREQUISITES AND COORDINATION REQUIREMENTS.

#### A. Prerequisites:

- Knowledge of the regulatory requirements of 14 CFR parts 43 and 145
- Successful completion of the Airworthiness Inspector's Indoctrination Course or equivalent
- Previous experience with certification or surveillance of part 145 repair stations
- Completion of FAA-approved computer-based instruction training, course number 27012, when implemented
- Successful completion of the foreign repair station course or equivalent, course number 22601, as revised

#### B. Coordination. This task requires coordination with:

- The applicant Approved Maintenance Organization (AMO)
- The NAA of the country in which the applicant AMO is located
- FAA Headquarters, AFS-300

### 3. REFERENCES, FORMS, AND JOB AIDS.

#### A. References:

- 14 CFR parts 43 and 145
- Order 8300.10, Airworthiness Inspector's Handbook, vol. 2, chapters 161, 163, 164, 165, and 170, and vol. 3, chapter 99
- AC 145-7, as revised, Issuance of Repair Station Certificates to Foreign Approved Maintenance Organizations Under the Maintenance Implementation Procedures (MIP) of a Bilateral Aviation Safety Agreement (BASA)

#### B. Forms:

- FAA Form 8000-4, Air Agency Certificate
- FAA Form 8000-4-1, Repair Station Operations Specifications (or Automated Repair Station Operations Specifications (OpSpecs))
- FAA Form 8310-3, Application for Repair Station Certification and/or Rating

- NAA approval certificate and OpSpecs or documentation defining the AMO's limitations (in the case of the Joint Aviation Authorities (JAA), JAA Form 3, Approval Certificate and Approval Schedule)

**NOTE: In some cases, the NAA has approved procedures for the AMO to make changes to its limitations or approved the use of a Capabilities List (CL) (see AC 145-7, as revised). If any changes have been made since its last renewal, the applicant must submit the NAA-approved revision procedures.**

- NAA surveillance/inspection report (or FAA Annex to JAA Form 6), NAA Surveillance Report and Recommendation for FAA Certification/Renewal/Amendment
- NAA internal evaluation report (in the case of the JAA, JAA Form 7, Maintenance Airworthiness Standardization Team, MAST Visit Report)
- Documentation supporting continuing need (i.e., activity report)

#### C. Job Aids. None.

### 5. PRE-TURNOVER PROCESS.

A. Before signing the MIP, both the NAA and FAA must have worked together to align repair station/AMO renewal dates. This process must start as early as possible to facilitate a smooth and efficient turnover process.

B. Before signing the MIP, the FAA International Field Office (IFO) must identify the repair stations that will be turned over to the NAA. Any repair station that has a significant violation history with the IFO within a 2-year period prior to handover will remain under FAA surveillance and will not be turned over until the FAA is satisfied that the CFRS can meet the MIP requirements. The IFO will establish a list of eligible repair stations and coordinate that list with the NAA.

C. Once the potential candidate CFRSs/AMOs are identified and agreed on by the NAA, inspectors should request that each CFRS develop an FAA Annex to their NAA-approved manual (in the case of the JAA, Maintenance Organization Exposition (MOE)), IAW AC 145-7, as revised. This will eliminate a dual review and acceptance on the FAA Annex when it comes time for turnover to the NAA.

## 7. TURNOVER PROCEDURES.

A. Once the MIP is signed, the FAA IFO has a 2-year window in which to turn over the surveillance of CFRSs to the applicable NAA. To ensure a smooth transition, it is essential that the responsibilities of the FAA IFO and the NAA be agreed to as outlined below.

B. *Manual Requirements.* It must be understood that the initial turnover of FAA CFRSs in an MIP country involves the FAA turning over existing FAA CFRSs to the NAA. Therefore, the FAA should have accepted the FAA manual supplement before the effective turnover date. This is accomplished by the FAA initialing and dating the list of effective pages.

C. *Renewal Dates.* Renewal dates should have been aligned during the MIP development discussions.

D. *Records.* The transfer of records should only involve the FAA turning over records of FAA surveillance to the NAA, not the NAA turning over their records to FAA. The CFRSs have been under FAA surveillance for a given period of time; therefore, the FAA should be assured that the CFRS is in compliance at the time of turnover. There should be no need for NAA records (reference MIP § 5.0). AC 145-7, as revised, requires the NAA to retain the certification renewal package for a minimum of 2 years.

E. *Time Frame.* Once the MIP is signed, the FAA and NAA will formulate a schedule identifying AMOs/CFRSs to be turned over and will establish a target date for each. An agreed-upon list will be developed and submitted for approval to FAA AFS-300 and NAA Headquarters (HQ). (In the case of the JAA, a copy should be forwarded to the JAA maintenance division to monitor progress.) This process is intended to avoid misunderstandings and reduce unnecessarily lengthy turnover procedures. Once the NAA has informed the IFO that the NAA inspectors have been adequately trained in FAA Special Conditions, the turnover process should be a simplified process. In addition to formal JAA training, the FAA may provide further technical assistance, clarification, or minor on-the-job training as agreed to during the MIP process.

### F. *FAA Responsibilities/Actions.*

#### (1) *The FAA will:*

- Ensure the FAA Principal Inspector (PAI) has appropriate FAA training in BASA/MIP procedures
- Establish a line of communication with the appropriate NAA representative to ensure any issues/concerns regarding BASA/MIP turnover are resolved
- Align FAA and NAA certificate renewal dates
- Ensure all outstanding findings/concerns have been satisfied
- Identify information to be turned over
- Establish the current revision status of the AMO's manual supplement (in the case of the JAA, MOE and the AMO's FAA Supplement to the MOE part 7)
- Coordinate a list including target dates of CFRSs to be turned over to the NAA
- Submit the turnover list to AFS-300 for approval once the list of CFRSs/AMOs is agreed upon

(2) It will not be necessary to review the AMO's FAA manual supplement or MOE supplement if the AMO has had previous FAA approval of the manual supplement or MOE supplements prior to the turnover process. This is now the responsibility of the NAA to review and accept FAA manual supplements and revisions on behalf of the FAA.

### G. *NAA Responsibilities/Actions.*

#### (1) *The NAA will:*

- Designate an NAA representative to serve as a liaison to the FAA IFO in the resolution of any concerns/issues arising from the BASA/MIP turnover
- Ensure the NAA representative and inspector/surveyor have NAA training in BASA/MIP procedures and FAA Special Conditions (in the case of the JAA, JAA training)
- Establish a line of communication with the FAA PAI
- Review FAA documentation on the AMO to be turned over
- Review the current revision status of the AMO's manual/FAA supplement (in the case of the JAA, the MOE and the AMO's FAA supplement to the MOE part 7)

- Establish and coordinate a list that includes target dates of CFRSs/AMOs to be accepted for turnover
- Work with the FAA in aligning FAA and NAA certificate renewal dates
- Submit the agreed-upon list of CFRSs/AMOs to NAA HQ for approval (in the case of the JAA the NAA MIP signature country, a copy should be forwarded to the JAA maintenance division to monitor progress)

(2) If an issue or concern cannot be resolved between the FAA Principal Inspector and the NAA representative, it should be raised to the next management level for resolution. Issues or concerns of a policy nature should be addressed to the FAA/JAA Committee charged with review of the effectiveness of MIP implementation IAW the provisions of MIP § 4.0.

## 9. TURNOVER OF REPAIR STATION PROCEDURES.

### A. The FAA will:

(1) Prepare and sign an “Agreement for the Turnover of Certificated Foreign Repair Stations Under BASA/MIP” that reflects the turnover conditions specified above;

(2) Provide a copy of the most current documentation for the AMO being turned over (the Air Agency Certificate, Repair Station OpSpecs, and, if completed before the turnover, the manual FAA supplement (in the case of the JAA, the MOE and the FAA supplement to MOE part 7));

(3) Amend FAA OpSpecs if necessary to reflect the NAA certificate number and limitations before turnover (the OpSpecs must include the appropriate NAA certificate number and limitations);

(4) Wait until the prescribed fee has been received before issuing an FAA Air Agency Certificate or Repair Station OpSpecs;

(5) Provide all required FAA Forms to the NAA, to include:

- Form 8310-3 with turnover statement on back
- Current copy of AMO certificate/OpSpecs with turnover statement on back
- Copy of NAA turnover information letter

- Copy of letter requesting NAA surveillance responsibility
- Surveillance records for the past 2 years on the AMO
- Record of findings and trends identified
- Record of the current revision status of the MOE/Supplement part 7
- Copy of current Vital Information Subsystem (VIS) with turnover statement

(6) Conduct a joint surveillance of the AMO with the NAA, at the discretion of the authorities, to ensure any outstanding findings have been resolved and that there are no new findings.

(7) The MIP provides the FAA with the ability to recognize the corrective action of the NAA without additional FAA action. The NAA inspector must provide the FAA with a recommendation on the appropriate surveillance form indicating any findings/discrepancies listed below. When the NAA's findings/discrepancies have been corrected or a plan for corrective action has been accepted by the NAA, any enforcement action being taken by the NAA as a result of the findings/discrepancies will not affect the recommendation. The plan for corrective action must be attached to the appropriate surveillance form when submitted to the FAA.

(a) The following are reportable issues that should be described on the NAA surveillance form:

- Serious failure to comply with national regulations and requirements (in the case of the JAA, Joint Aviation Regulations (JAR)-145)
- Overall failure to comply with FAA Special Conditions identified in the MIP and AC 145-7, as revised
- Failure to use FAA-approved data for major repairs/alterations/modifications
- Failure of the repair station to maintain a working quality control system (in the case of the JAA, JAA-approved Quality Monitoring System) or internal self-audit system

(b) The NAA should provide FAA with a non-recommendation when the NAA has found significant safety issues using the criteria above and corrective action has not been taken or a plan for corrective action has not been accepted by the NAA.

The FAA may elect not to renew or amend a repair station certificate until corrective action has taken place or a plan for corrective action has been approved by the NAA and submitted with the appropriate surveillance form.

(c) There may be occasions when a short-term certificate may be issued while corrective action is taking place. In those cases, the short-term certificate should be issued for no more than 90 days and only with the agreement of the NAA. As a second option, the FAA may reduce the rating of the repair station pending corrective action. Once all corrective action has been completed to the satisfaction of the FAA and NAA, the certificate should be renewed for the balance of the remaining 24 months from its original renewal date.

(8) Coordinate with NAA inspectors and discuss the turnover process during the actual turnover.

(9) Identify a target transfer date and sign correspondence indicating both the FAA and the NAA agree to the turnover of surveillance for the AMO.

#### *B. The NAA will:*

(1) Sign the “Agreement for the Turnover of Certificated Foreign Repair Stations Under BASA/MIP.”

(2) Accept surveillance responsibilities for each AMO turned over.

(3) Conduct a biennial (2 years) audit as described in chapter 171. Every 2 years, the NAA will provide the FAA a copy of the appropriate surveillance form(s), including FAA Special Conditions (in the case of the JAA, the FAA Annex to JAA Form 6) or FAA/NAA-acceptable equivalent documentation as described in AC 145-7, as revised.

(4) Promptly notify the FAA of each failure of the AMO to comply with AC 145-7, as revised, and the reporting requirements (in the case of the JAA, JAR-145 and/or FAA Special Conditions) or any investigation into noncompliance that can result in the loss of the AMO’s JAA listing and/or suspension of its JAR-145 approval/certification.

**NOTE: The FAA will continue to have certification, inspection, and surveillance responsibility for geographic authorizations and line stations outside a country that has concluded a BASA/MIP with U.S. exemptions.**

#### *C. FAA Responsibilities.* The inspector will issue:

(1) *FAA Form 8000-4.* The certificate must contain the appropriate FAA rating (i.e., limited airframe). The NAA certificate number and rating on the OpSpecs will be the limitation. The FAA inspector will complete the form IAW the guidance in chapters 164 and 165, paying particular attention to the following:

(a) The applicant AMO’s FAA ratings are indicated on Form 8000-4. The FAA inspector should ensure that the appropriate FAA rating is applied to the certificate using the cross-reference chart located in appendix 4 of AC 145-7, as revised.

(b) The FAA inspector must adjust the expiration date of the part 145 certificate renewal to coincide with the AMO’s NAA certificate expiration date (in the case of the JAA, JAR-145 expiration date). The date indicated after “shall continue in effect” should not exceed 24 months from its renewal date; however, it may be less than 24 months. The date must align with the NAA renewal date, unless there is a need to issue short-term certificates to ensure discrepancies are corrected. (See AC 145-7, as revised, and chapter 171 for reporting requirements.)

(c) The language at the bottom of the form, “Any alteration of this . . . or both” should be crossed out IAW chapter 161.

(d) Where a geographic authorization was issued to an applicant AMO to support a U.S. air carrier or part 129 operator, such authorization will be indicated on the Air Agency Certificate and Repair Station OpSpecs. (See AC 145-7, as revised, for geographic policy.)

(e) The privileges of part 145 certification should not exceed the AMO’s NAA rating (JAA approval, ratings, and limitations). Therefore, certification by the FAA will be limited by the JAA Approval Schedule (JAA Form 3, issued to the AMO).

(2) *FAA Form 8000-4-1 or Automated Repair Station OpSpecs.* The FAA inspector will complete either Form 8000-4-1 or the Automated Repair Station OpSpecs IAW the guidance in chapter 161, paying particular attention to the following:

(a) A statement will be included on the OpSpecs as follows:

- “The repair station specified on these OpSpecs is performing maintenance on and/or alteration of aircraft and/or

aeronautical products to be installed on aircraft under the terms and conditions of BASA and associated MIP between the U.S. Government and the Government of [insert name of country]"

(b) A statement will be included on the FAA OpSpecs that "the privileges of a line station located outside the geographic boundaries of the MIP country, as set forth by any NAA line station rating, are not authorized." The line stations authorized by the NAA will be listed in the FAA supplement to the repair station manual (in the case of the JAA in the AMO, MOE FAA supplement).

(c) If the AMO has been issued a geographic authorization rating (automated OpSpecs paragraph B050) for line stations located outside the geographic boundaries of the MIP country, it will have the authorized locations and their corresponding limitations identified on its Repair Station OpSpecs under "Ratings" as "Limited Geographic Authorization," and will be under the surveillance of the FAA.

(d) The OpSpec must include the appropriate NAA certificate number in the limitations section. An FAA inspector must not issue an Air Agency Certificate or Repair Station OpSpecs until the inspector confirms the prescribed fee has been received.

(e) FAA-approved process specifications will be recorded on the AMO's Repair Station OpSpecs.

(f) For OpSpecs that reference a CL, the following or similarly worded statement should be included under the appropriate rating:

- "Maintenance or alteration functions limited to those make and model components shown on the AMO's approved Capabilities Document number [XX], dated [XX/XX/XX], as revised"

(3) The FAA inspector will retain for inclusion in the repair station AMO's certification file:

- A completed Form 8310-3
- A copy of Form 8000-4
- A copy of Form 8000-4-1
- Documentation supporting continuing need (submitted by the AMO accompanied by JAA Form 1 with dual 14 CFR/JAR-145 release)

- The appropriate NAA surveillance form (in the case of the JAA, FAA Annex to JAA Form 6), including any plan for corrective action
- A copy of the NAA approval certificate and ratings (in the case of the JAA, JAA Form 3 and Approval Schedule)
- Copies of all appropriate communications with the NAA to ensure a proper document trail that has traceability back to the original FAA MIP assessments program

(4) The FAA inspector will send the AMO's NAA the following:

- A copy of Form 8310-3
- The original Form 8000-4
- Air Agency Application FAA Form 8310-3 with turnover statement on back
- Current copy of AMO certificate/original OpSpecs Form 8000-4-1 with turnover statement on back
- Copy of NAA turnover information letter
- Copy of letter requesting NAA surveillance responsibility
- Surveillance records for the past 2 years on the AMO
- Record of findings and trends identified
- Record of the current revision status of the MOE/Supplement part 7
- Copy of current VIS with turnover statement

(5) The FAA inspector will:

(a) Complete the appropriate PTRS file:

i. Using PTRS codes 3679/5679 when the NAA has performed the surveillance on behalf of the FAA. The FAA inspector should use the appropriate comment codes for any significant comments.

ii. Using PTRS codes 3045/5045 for review of documentation and processing.

iii. Using the PTRS codes 3650/5650 when the FAA performs the surveillance as part of the quality audit required by the MIP. The FAA inspector should use the comment codes for any significant comments when appropriate.

(b) Update the VIS data file as appropriate.